

List three (3) factors that affect labor cost . . .

1. _____
2. _____
3. _____

Ways to reduce labor . . .

- Use equipment efficiently to replace manual tasks
- Rearrange kitchen, equipment, and serving areas to save steps
- Apply work simplification methods to all tasks and procedures
- Schedule employees to match fluctuations in work
- Encourage staff participation and teamwork
- Use convenience foods



Training . . .

Inject cost control awareness into the training program. Eliminating waste caused by improperly trained personnel will sometimes more than pay for the cost of a training program.

Hidden Costs . . . "Perils of Penny"

Penny arrived at work five (5) minutes late. She and her husband had a big fight over who was going to take out the garbage and who was going to feed the goldfish. After securing her personal items in her locker and washing her hands, she entered the kitchen. Eyeing Bertha at the far end of the production table, she walked over and began telling her "the tale of woe". After seven (7) minutes, Fritz (a cafeteria sub) approached to see what she was missing. With this, Penny began her story again with the "he said,..... she said " scenario. As another three (3) minutes passed, "Margie the Manager" interrupted the group and inquired about the production status of the soup, salad, and sandwiches.



Answer the following questions:

1. How does the above story affect costs?
2. How much production time would you guess was lost in the "Perils of Penny's garbage and goldfish"?
3. What would you estimate in money this lost time will cost?

"Your time equals money; therefore, your time is valuable to your food service program."